Shortage of cement in the country

3106. SHRI N.R. GOVINDARAJAR:
SHRI KAMAL AKHTAR:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is an acute shortage of cement in the country;

(b) if so, the details thereof;

(c) the details of annual requirement of cement for domestic consumption and the year-wise production of cement by all the cement manufactures in the country;

(d) whether cement manufacturers have to squeeze supply by as much as 50 per cent;

(e) whether such move is made by the manufacturers to maintain the high prices of cement in the country; and

(0 if so, the reaction of the Government thereto and the action taken by the Government against the manufacturers found responsible therefor?

THE MINISTER OF STATE IN THE (DEPARTMENT OF INDUSTRIAL POLICY AND COMMERCE) MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) to (c) Recent spurt in the Prices of Cement is indicative of a mismatch between demand and supply. The production and dispatches of cement have been increasing every year. As per the Cement Manufacturers' Association, the total production of cement was 127.57 million tonnes, 141.81 million tonnes, 155.66 million tonnes and 168.31 million tonnes in 2004-05,2005-06,2006-07 and 2007-08 respectively. Information about demand for cement is not maintained.

(d) to (f) No, Sir. The prices of cement increased sharply between December, 2005 and March, 2007 due to mismatch between demand and supply. The Government has taken a number of measures to increase the supply of cement in the market to cater to increased demand. These include facilitating import by reducing the import duty on cement to 'Nil', removal of countervailing duty and special additional customs duty. Further, MMTC Ltd., a Government of India enterprise, TANCEM, a State Government enterprise of Tamil Nadu and M/s. Puducherry Agro Services Industries Corporation (PASIC) have been given a special dispensation to import cement under the provisions of Cement (Quality Control) Order, 2003 to enable availability of significant quantities of imported cement in the market. With these measures, the average price of cement has stabilized to a large extent showing an increase of only 4.44% between March, 2007 and March, 2008. The export of cement has also been banned.

Review of SEZ policy

3107. SHRIGIREESHKUMARSANGHI: Will the Minister of COMMERCE AND INDUSTRY
be pleased to state:

(a) whether Government propose to review and overhaul the entire policy of SEZ from sanction till implementation;